

Statement of Derek T. Kan  
Nominee for Undersecretary of Transportation  
Before the  
Senate Commerce, Science and Transportation Committee  
June 8, 2017

Thank you for the opportunity to appear before you today. If I am confirmed, I look forward to working with all of you and your staff to strengthen our nation's transportation system.

I am joined today by my wife, Connie Kan, my children, Jordan, Evan, and Avery, my parents, Scott and Julie Kan, and my sister and brother-in-law, Grace Kan and Kennie Hsu.

A recurring memory I have of my childhood is riding in the backseat of my parents' old blue Oldsmobile. Mom and Dad, who had recently immigrated and were struggling to make ends meet in America, would shuttle my sister and me around town. So, we spent many hours sitting in that car and fighting traffic around Los Angeles. That was the vehicle by which I began to discover the world and that was the beginning of my fascination with transportation.

I started my career as a Program Examiner at the White House Office of Management and Budget. It was there I learned about different types of government programs, regulatory and budget concepts, and, most importantly, the value of public service. I left OMB to join the Senate, and spent time working for Senator Jon Kyl, Senator Hutchison, and Senator McConnell.

Since leaving the Senate, I have spent my career in the private sector advising companies, building and managing teams, and operating businesses. I most recently was the General Manager of Lyft in Southern California while also serving on the Board of Amtrak. This experiences showed me firsthand how to manage a fast-growing enterprise and effectively operate a business.

I am fascinated by both passenger and freight transportation. Transportation makes possible the reunion of beloved family and friends, the epic adventures which shape, and sometimes define, our lives, and, of course, the commerce and trade which drives our economy. Transportation is one of the most critical components of infrastructure on which a society operates. Yet over the past few decades, we are beginning to see an aging infrastructure and experience the fragility of our current transportation system.

President Trump and Secretary Chao have begun to lay out the Administration's transportation priorities: 1) ensuring safety and security as the most important objectives, 2) rebuilding our nation's infrastructure, and 3) embracing new technologies that will lead us into the future. Rarely in our nation's history have we had so much technological innovation and opportunity to transform our nation's infrastructure. As one industry leader recently pointed out, we will likely see more changes with automobiles in the next five years than we have seen in the last fifty.

We are now at an inflection point when it comes to transportation. New technologies and data analytics, new manufacturing techniques, and innovative solutions are being deployed around the world. Yet, before us are some core fundamental questions around transportation policy such as 1) the role of the Federal government in critical, but local projects, 2) the allocation of Federal resources between urban and rural areas so that nobody is left behind, 3) economic and environmental stewardship, and 4) the financing and permitting of transportation infrastructure projects. Together, we can address these complex policy questions, rebuild our nation's infrastructure, ensure the safety and security of our transportation system, and usher in new technologies.

Finally, in my visits with the members of this committee, many of you have asked that I visit your respective states. These requests range from visiting a light rail system to a rural airport to an unfinished highway to a crumbling bridge. If confirmed, I commit to visit your states and work with you to build the world's safest and most efficient transportation system.

Thank you again for the opportunity to appear before you today. I am happy to take any questions.